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CORN AND WAGES,
OR
A FEW PROPOSITIONS AND REMARKS
ON
VARIATIONS IN THE PRICE OF CORN
AND
RATE OF WAGES.

BY R. N. B.

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CORN AND WAGES,

OR

A FEW PROPOSITIONS AND REMARKS, &c.

It appears to be a prevailing opinion, that if the price of corn were to fall, wages would also fall in an equal or greater proportion, and the condition of the labouring man thus become worse than it now is.

This notion, held in perfect good faith by many persons, is continually expressed in such vague terms, that we are forced to suspect it has not been carefully examined by those who honestly entertain it. Sometimes they seem to mean, that the fall in wages would be proportioned to the fall in *wheat only*, as, if wheat fell one-third in price, that wages would also fall one-third in quantity; sometimes, as if the fall in wages would be proportioned to the fall in *corn generally*; sometimes, to the fall in *food of all kinds*, used by the labouring classes. Sometimes they speak as if a fall in the price of corn had a direct and immediate influence on the current contracts for wages; and again, as if its action upon wages were indirect, and through its previous influence on the rate of population. Then we find this fall in the price of corn is supposed by some to act only on that portion of wages which is employed in the purchase of corn or bread; and by others, that it affects the whole amount of wages.

Not unfrequently the fact (of a fall in wages) is really assumed, and a mere proposition in arithmetic is stated as if it were a *proof* of the fact, while it is really but an explanation in figures of what had been first assumed in the argument. Thus, it is

said, "if wheat fall a third, wages will fall a third, and so if a man earn nine shillings a week, and spend four shillings in bread, he will only save one-third in his bread, or sixteen pence, while he will lose one-third in his wages, or three shillings." All this is true, but it is a mere arithmetical proposition, affirming that the third of nine shillings is more than the third of four shillings. But the essential point to be proved, namely, that there will be any fall whatever in wages because wheat falls one-third, is taken for granted in the outset.

The argument really intended to be stated by these vague forms, I presume is something to this effect,—

1st, That when the average price of corn falls,* the average rate of wages must fall too, because labourers expect only such wages as will supply bread at its present price, and employers will give only such wages; therefore, when the price of bread falls, the labourer will be content to take less wages in money, provided he can still get the *same quantity of bread* as before. Or,

2d, That when corn falls, he will accept wages in money, so much *lower* than before, that with them he cannot get even the same quantity of bread as formerly.

In the first case, though the labourer would be no better off, neither would he be worse off, since he would still get as much bread as he can now. In the second case only would he be worse off.

It is intended to shew, by the following propositions, not that the employer cannot give the labourer less wages in *money* when the corn falls in price, but that he cannot make him take *such low money wages* as will buy *less bread* than the labourer can now buy: or even such low *money wages*

* That is, such kind of corn as constitutes the food of the people.

as will only buy *as much* bread as he can now buy with his present wages at its present price.*

If it can be proved that a fall in the price of corn cannot enable the employer to confine the labourer to his *present* allowance of bread, and still less enable him to *diminish* that allowance, it necessarily follows that a fall in the price of corn, caused by its greater abundance, must *increase* that allowance.

Prop. 1. *If the general rates† of wages are now too low, the employers‡ are the guilty parties; and wages are at the lowest probable amount.*

Wages, in every contract, are fixed only by the workman or the employer. The workman will not be the person to fix them too low; but by the supposition they are fixed too low, therefore they are fixed too low by the employer. Hence it follows that they are already reduced to their lowest probable amount; for as the employer had both power and will to reduce them to their present point, he wanted either power or will to reduce them lower, since he has not done so.

Prop. 2. *If the rates of wages are now fair and just, at the present price of corn, they will probably not be less fair and just if the price of corn should fall.*

If the rate is fixed by the workman, and he will

* It is here meant that the employer cannot do this permanently, or for more than a short period.

† Throughout these propositions the terms "rate of wages," when used generally, mean the quantity of the necessaries of life, or wages in *kind* (as distinguished from wages in *money*) which a man can procure by his daily labour. These are commonly called "real wages," being that for which a man finally exchanges his labour.

‡ As all who purchase the labour or services of others are employers, this term includes manufacturers, merchants, farmers, landowners, &c.

not *now* take less than is fair and just, neither will he when the price of corn falls, if he can avoid it. If he cannot avoid taking less, then it is plain that not he, but the employer will fix it. But the employer now (by the supposition) agrees to give a fair and just rate of wages,* and he does so either freely and from his sense of justice, or from necessity. If from a sense of justice now, will this sense of justice decline with the price of corn? And if not, why should he not *then* do freely what he does freely *now*? † If from necessity, that implies the necessity is imposed on him by the workman, who will not take less than a fair and just rate now; and he will try to impose the same necessity on the employer when corn falls. If he can do so, he will not suffer his wages to fall below a fair and just rate then.

Thus, whether the present fair and just rates have been determined by the good feeling of the employer, or by necessity, it is probable the same causes will continue to keep them at a fair and just rate. It shall be shewn that a fall in the price of corn will not diminish the workman's power of preventing the fall of wages.

Prop. 3. *If the rates of wages are too high now, they will probably not be less high when corn falls.*

The employer has not fixed them too high now, as that would injure himself. But by the supposition they are too high, therefore, it is the workman who has fixed them at this high rate, and he will do the same when corn falls, if he can. It shall

* That is, the means of purchasing a fair and just quantity of necessities, or "real wages."

† He may reduce the *money* wages, as less money may still buy as much bread; but, unless his sense of justice fail, he will not lessen the "real wages."

be shewn that a fall in the price of corn will not diminish his power of doing so.

The above propositions shew that when wages are too low, the employers wanted either power or will to reduce them lower, since they have not done so; that when they are fair and just, both parties wanted either power or will to make them more or less than fair and just, since they have not done so; and that when they are too high, the labourer wanted either power or will to make them higher still, since he has not done so.

The actual rate then indicates the point at which both have agreed to unite in the joint work or process of production, that is, of creating some new product, whose value is to be divided between them when produced. The labourer's share is secured from all risk, being advanced in the shape of wages beforehand. The employer's share is all the remaining value of the product, after repaying himself the wages he had advanced: he also taking upon himself all the risks of the transaction.

The next inquiry is *what circumstances* determine the parties to come to this state of agreement? It may be safely assumed that, in consulting about the division of the intended product, each party will generally get the most he can; that is, the circumstances which determine the *power* of each, will probably be the circumstances which (in effect) determine also the *will* of each. We need therefore seek only for the circumstances that limit their *power* respectively. As in the present inquiry, a rise or fall in the price of corn is the only change of circumstance supposed, we need only examine how far that circumstance acts in enlarging or restraining the *power* of each party. And if it can be

shewn that that circumstance (a fall in the price of corn) will not diminish the power the labourer at present possesses, of fixing the terms of the agreement, we may then affirm that the *probability* (established by the foregoing propositions) of the rates of wages not falling with the fall of corn will become a *certainty*.

The next proposition is therefore intended to prove that the effect of a fall in corn is to diminish the employer's, and to increase the labourer's power, when fixing the rates of wages in each contract. It is complementary to the three first propositions. The writer's object is to reduce the several points of the general argument to short and simple expressions, as the most effectual way of obtaining the assent of those not familiar with inquiries of this nature; or on the other hand, of enabling them to test the several steps of the argument, if not satisfied with its general result.

Prop. 4. *Employers generally cannot lower wages because the price of corn falls.*

Corn may fall in price because the demand for it has diminished, or because money has become scarce, or because the supply of corn has increased, or from the combined action of all three causes. But if foreign corn were admitted freely, or at a fixed duty, the demand would not be diminished, because there would still be as many, or more persons to be fed; and the currency of the country is supposed to be also unchanged. The fall then can proceed only from the third cause, the quantity of corn being increased. This cheaper price, caused by this greater abundance, means that every body can now buy with the same money more corn than before, and that if the whole quantity were equally divided, every body would now have more of it to eat than

they had before. But the richer classes of society, (among whom are the class of employers,) have always enough bread to eat, and its abundance cannot tempt them to eat much more. Their consumption of bread (to use Adam Smith's words) will be "limited by the narrow capacity of the human stomach," and they can always command that quantity. Their number is also small in comparison with the labouring classes; and therefore the quantity they require will be small in comparison with the quantity required by the labouring classes. The increased quantity therefore, if it is to be consumed at all, must go to those who have not as much as they want to eat; and they are the labourers, who constitute the great majority of the people. If all the working people of this country are *fully employed*, this increased quantity of corn must be given to them gratuitously, or left to rot, for the employers cannot eat it themselves; and then, if *given* to the workmen, they are better off than before.* If the employers send it out of the country, then corn will *not* be more abundant, and its price will *not* fall; but that is against the supposition which is that corn is more abundant, and does fall in price.†

If the labouring classes are not all employed, or not fully employed, then, sooner than give the corn away for nothing, or let it rot, the employers will give it to the unemployed in exchange for work; that is, they will make a greater demand for labour, and that tends to raise the wages of those already partially employed, or it gives wages to those who

* This is nearly an impossible case, and it is stated merely for the sake of the argument.

† It is also most improbable that corn should be imported to be immediately exported, thus adding the charge of its double carriage to its natural cost.

had none before.* So long therefore as this increased quantity of corn remains in the country for the consumption of the nation, it must be consumed chiefly by the labouring body of the people. Other classes will not buy much of it, simply because they have nearly all they want already, but the labouring classes will buy it, because they have not enough at present, and they can buy it only with their labour, since that is the only thing they have to give for it. Should any one say "they must give money to buy it," let him remember that the labourer can *buy money only with labour*, so that the only difference is, he makes two purchases, first, he *buys money* with his labour, and then corn with his money. If it be doubted whether the money he earns *can* buy this additional quantity of corn, then the question returns, who does buy it if the labourer do not? It has been shewn that no other persons want to buy it, and therefore if consumed at all, it must be consumed by the labourers.

An increase of corn is, in fact, an increase of the principal fund out of which labour is paid—is an increase of that commodity, which, beyond all others, is essential to the labourer, and which must be prepared beforehand to be advanced to him while he is engaged in the process of production. The larger this fund is (so long as the number of labourers seeking for employment remains the same) the larger must be the share of it given to each labourer.

* From those who are *fully* employed, no more labour can be obtained. The demand therefore will be confined to those *not* fully employed; thus, if a labourer be employed only on four days in the week, this demand will give him wages for the other two days, or for one day, or part of a day, as the case may be; if not employed at all, it will employ and give him wages for one, two, or three days, or for the whole week, as the case may be.

Having thus shewn generally, that a fall in the price of corn, caused by its greater abundance, is followed by an increase in the labourer's share, (that is, in his wages in corn, or real wages), let us inquire how a fall in *money* wages, proportioned to the fall in corn, would affect labourers finally. Suppose, for the sake of argument, that on a fall in the price of corn, any particular employer of labourers should reduce the wages of each workman two shillings a week (to counterbalance the fall of corn,) and that he employs fifty labourers, this saving of one hundred shillings, or five pounds per week, the employer can use only as follows:—*

1. In extending his own business.
2. In greater expenditure for his own consumption.
3. By investing it on loan, or in the purchase of some other form of property.

1. If he extend his own business, he must demand directly more labour from his own or other workmen skilled in that business, or indirectly from workmen whose labour is auxiliary† to his own business, and thus the saving or part of it comes back to them as wages.‡ It may be impossible to state

* Any other number would serve as well, for the argument does not depend on the amount of the sum saved, but on what becomes of it after it has been saved. It is supposed, however, that two shillings represent what the weekly saving of the labourer would be, in consequence of the fall in wheat, for the employer stops no more, it not being his object to reduce the workman to a worse condition: the former propositions shew this.

† For example, if an agriculturist, he requires more of those things which agricultural artisans and mechanics supply: if a manufacturer, more labour from those who supply machinery, tools, buildings, raw materials, and such things as are necessary to an extension of his own business, but which are not made by his own workmen.

‡ It is true they must give more labour for it, but this is not an evil, as the following considerations shew. By

what amount of the saving will be thus returned to his workmen or their fellow-labourers ; but it is also impossible to admit that any business, requiring labour, can be extended, without also admitting that the demand for labour must be extended too.

2. If he employ the saving to increase his own consumption of goods, this new demand for such goods must augment the demand for the labour of those who produce them, for without it the goods cannot be produced.*

the supposition, the reduction in wages is only proportioned to the fall in corn, therefore it leaves the labourers no worse off than before, even if they get no more employment. They are in the condition of men engaged on task-work ; they need not work more if satisfied with their condition ; if not satisfied, then there is *more work and more pay* for them if they like to accept them. But work and pay are the very things labourers seek ; therefore an opportunity of increasing both cannot be an evil to those who choose to avail themselves of it.

* It may be said, he will spend the saving on foreign commodities, and so return none of it to English workmen in the shape of wages. The answer is, if he import foreign goods, he must pay for them with English goods or with money ; if with English goods, then he makes a new, though indirect demand on the English industry which produces those goods—if with money, and it be supposed this drain of money can continue, it must finally deprive the country of money. But no civilised people can long endure such a drain, much less to be totally deprived of money. The derangement of all the business of life produced by that condition, would make the demand for money quite imperious, and therefore, long before such derangement occurs, it is brought back to a country (having no mines) by the same process by which it was first introduced, namely, by sending out goods for it, and thus, as before, he makes a new though indirect demand on the English industry which produces those goods. Those conversant with these questions well know that in fact, very little *money* passes from one country to another in the payment of goods, when trade is in a natural and *healthy course* ; and that so far as it does pass, its efflux

3. If he invest the saving on loan, or in the purchase of some other form of property, then he merely transfers it to another person, who can employ it only in some of the modes we have just examined. A. may transfer the saving to B., but B. must then finally employ it in some of the ways in which A. must have employed it, had he kept it himself, and all these ways (as we have just seen) finally compel him to demand more labour either in a direct or indirect manner.

Thus, then, by a fall in the price of corn, caused by its greater abundance, an increased demand for labour necessarily arises among the body of the employers, whenever they attempt to secure to themselves the whole benefit of the fall, by reducing the money wages of their workmen in proportion to it. And, on the other hand, if they do not reduce the money wages, then the labourer evidently gains the whole advantage, since he has the same sum of money and corn is cheaper.

Under the former state of things, that is, before the fall in corn, the necessities of their relative conditions compelled the two parties to agree to certain rates of wages in their various contracts, and while these necessities continued so balanced, the same rates would continue. But the new condition produced by the fall of corn, disturbs this balance, and by compelling the employers to make a new and further demand for labour, enables the workman to make better terms in settling the contract. Competition with his fellow-labourers is diminished, competition between the employers is increased.

in one direction is at the same time, or soon after, counteracted by its influx from another quarter. In every case too, whether he imports foreign, or exports English goods, he makes a further direct demand for the labour of those who are engaged in the business of importing and exporting, carriage of goods, &c.

But the advantage thus gained by the labourer does no wrong to the employer, because the increased quantity of corn is gained from nature, being a positive addition to the common stock, and not a mere transfer from the employer's share to that of the labourer.

To the above propositions the following observations may be added, to meet some of the arguments frequently adduced to shew that a better condition with respect to wages cannot be permanently established, in favour of the labouring classes.

It is sometimes said that in a rich and thickly peopled country like England, there will always be such a quantity of surplus labour (or rather so many supernumerary labourers), that men will be ready to work for the smallest wages that will support life and strength, whatever be the price of corn, and that their competition will speedily bring the great body of labourers down to the same condition. This can only mean that there are always persons in want of food, and that their labour can barely procure it. In other words that there are more hands to work, than work to be done; and that there are more mouths to eat bread, than there is bread to be eaten. And is this the case in which legislators would prohibit a people from enlarging their industry, that they may try to increase the quantity of their bread? Do they think it better to have idlers than labourers—better to destroy the mouths, than to multiply the food? It was not so when the multitude hungered in the wilderness. Thirst is an imperious want, but water is so abundant that (generally speaking) no one ever suffers from thirst. Would not every addition to the quantity of corn bring a people nearer to a similar condition with respect to food, of which there might be such abundance as that none, or very few, should be reduced to a bare subsistence?

The above argument against trying to improve the condition of the working classes, rests upon this truth, that in all countries, there always *are some* persons at the bottom of the scale. The fallacies involved in the argument are, the inference that *therefore* the number of persons in that condition can never be *less* than it now is; and the implied assumption that the scale of living is alike low in all countries, and, therefore, those at the bottom alike miserable. Whatever in any country be the nature of the things called the necessities of life (as food and clothing, whether the one be rice, potatoes, or wheat, and the other skins, cotton, or broad cloth), the *quantity* of these things must determine the condition of the people, and that condition must be *good* when they are abundant—bad when they are deficient. But we have no reason to suppose, that in a good condition of the people, the number at the bottom of the scale is as great, relatively or absolutely, as in a bad condition; or that being at the bottom of the scale implies an equal degree of suffering in each case. In a besieged town, when provisions and water fail, there will be a much larger number of people at the bottom of the scale than in ordinary circumstances, and their suffering will be much greater when the scale is one of famine than when it is one of moderate supply. Can there be any doubt that the number of persons at the bottom of the scale of potatoes in Ireland, or of rice in India, is greater, and their condition much worse than that of those at the bottom of the scale of wheat in England?

The kind and quantity of food, clothing, &c. which the manners and customs of a country require for the body of the people, as their mode of living, come to be regarded as the *necessaries* of life in that country, and though the scale of these neces-

saries should be a high one, as in England, yet labourers will not consent to work for less wages than will procure them; and that they will not, is proved by the fact, that they *do not* consent to work for less. This state of things marks the lowest limit to which competition can make them descend; and this is proved by the fact, that notwithstanding their competition, *they are found in that state*. If they had not formerly received such wages, they never could have attained that condition; and if they did not continue to receive such wages, they could not preserve that condition now. Those who allege that the condition of the labouring classes in England is tolerably good, at the same moment admit, by implication, that the wages are good, since it is only with their wages that they can have procured the commodities which constitute this good condition; and they further admit, that the spirit of competition has not been powerful enough to depress them lower, since it has not done so. The argument we are examining assumes that competition is always acting with uniform force to reduce the labouring classes to one common level of depression, while the indisputable fact is, that the condition of those classes in England and elsewhere is emphatically one of *degrees*; each successive degree marking the lowest point to which the spirit of competition has been able to depress them respectively. The notion that competition must reduce all to one level, or nearly so, cannot withstand the test of this simple question; "then why are not all reduced to this common level in fact?" In a country like England, the competition is for such wages as will maintain this better condition, not merely for such as will supply a bare subsistence; and the limit to this competition is found in the common opinion among the labouring classes, that

this style of living is actually *necessary* to their existence. They will not endure a worse condition if they can help it. War, famine, bad legislation, oppressive government, may reduce them to this worse condition, but it is hard to comprehend how increasing what they want as food, clothing, &c. can do so. Those, however, who propose to admit foreign corn in exchange for the products of English industry, consider this spirit of competition not to be an uniform and irresistible force, but one capable of modification, and varying inversely, as the means of subsistence; that is, the greater the abundance of those things the labourers want, the less intense will be the struggle to obtain them. None of us, not even the poorest labourers, strive with each other for air or water, simply because there is a superabundance of both—but in the black hole at Calcutta, the struggle for one of them was deadly. If competition tends to reduce all to one low condition, and abundance tends to repress competition, why object to abundance?

The following argument being contained in a work of great circulation may be supposed to express and (it is to be feared) determine the opinion of many persons.*

1. *Extract.*

“Cheap bread is a popular cry, but cheap bread is but another term for LOW WAGES, than which nothing can be less popular.”

1. *Remarks.*

In this and the following paragraphs, “wages” and “bread,” or, (more generally) the “*means of*

* The extract is divided into separate paragraphs for the convenience of reference in answering it, but the whole ought to be read throughout, before the remarks are compared with the separate paragraphs.

subsistence" are alleged to be the same thing, and to be "*the reward of labour*," though the writer employs the term "*wages*" ambiguously, at one time meaning by it *money wages*, at another, *real wages*. The terms "*cheap bread*" can have no meaning but *much bread*, whether compared with money or with labour. If "*cheap*" refer to its price, that price must be paid in money or in labour, and it can be *cheap* only when *much* of it is sold for *little* money, or *little* labour.* On the other hand, "*low wages*" must mean *little wages*. If the writer refer to *money wages*, then, as he holds bread and wages to be convertible terms, it follows that *little* or *low wages* give *much bread*; for the wages must be earned before the bread can be bought; and though *they* be small, yet they will buy much bread, for these go together, as the writer alleges. To this state of things no objection can be offered.

If he refer to *real wages*—"the reward of labour" or "the means of subsistence," then his assertion is that *much* (that is *cheap*) bread is but another term for *little* means of subsistence (that is, "*low wages*,") and as bread is one of the means of subsistence, we may express the writer's argument in this general form, "*much means of subsistence is but another term for little means of subsistence.*"

2. Extract.

"Labour is the primal condition of our existence. 'In the sweat of thy face shalt thou eat bread,' is the penal ordinance of the Creator, and 'no human institutions can essentially vary that first law of nature. For the infinite majority of

* Cheap and dear being relative terms, it can scarcely be necessary to remind the reader, that whenever they are used, a comparison with something else is understood.

“the human race, composing what are called the
 “working classes, the reward of labour is neither
 “more nor less than the means of subsistence.”

2. *Remarks.*

Labour is the primal condition of our existence, and no human institutions can annul it. But though man can procure nothing without some labour, there is no decree which establishes any unchangeable proportion between the quantity of labour and the quantity of its reward. It is nowhere said that one day's labour shall never give a man more than two quatern loaves. We know there must be *some* limit to the productiveness of labour, but within that limit, there is room for great variety in the amount of its reward. Different climates—different soils—different seasons—different implements—different manures, will each give different returns to the same amount of human labour. Knowing therefore, that from these and similar circumstances, there are various degrees in the productiveness of labour, the opponents of Corn Laws desire to secure to the labourers of this country, the largest amount in return for their labour that the circumstances of the time and place admit. And in this they do no more than the agriculturist does, when he endeavours to turn the labour he employs to the best account—in other words, to get the largest return he can for it. Human institutions therefore, though they cannot annul “the penal ordinance of the Creator,” can and do essentially vary it, both as to the quality and quantity of the products of labour; and it was ordained that they should, for the very existence and progress of civilization depend on the power of so directing labour as to augment its efficiency. It is thus, that not only a greater population is maintained, but a larger

proportion of it is maintained in comfort and ease. The animal wants being supplied at less cost of time and labour, man possesses more leisure and more means for the cultivation and enjoyment of the affections and the nobler faculties of his nature.

3. *Extract.*

“In the simpler states of society—not yet entirely extinct in some parts of Europe—labour was paid in kind; the labourer was fed, clothed, and lodged by his employer—and that was all.

“In the progress of society money was adopted as the measure and representative of those wants. And in different stages of civilization, in different countries, and at different times, and for different kinds of work, the value of these necessities will vary, both in their own nature, and in their nominal money value.”

3. *Remarks.*

Here “money” is expressly recognised “as the measure and representative” of food, clothing, and lodging, and these latter as being wages in kind. Thus the identity, in the writer’s opinion, of money wages, wages in kind, “the reward of labour,” and the “means of subsistence” is completely avowed, and the author of these remarks cannot be justly charged with anything of the nature of cavil, when, by his substitution of these synonymous terms for one another, he exhibits the absurd conclusion to which the argument leads; unless it be alleged that *bread* is no part of wages in kind, or of “the reward of labour,” or of “the means of subsistence.”—See *Remarks*, No. 1.

4. *Extract.*

“Superior abilities, industry, and economy, will enable an individual to lay by small surpluses,

“ which, when accumulated, change his position from that of a mere workman, to being more or less of an employer.”

4. *Remarks.*

These qualities may do so, that is “superior abilities and industry” may enable him to *produce* those surpluses, and superior economy may enable him to *lay them by*. In each case, however, they are but the products of his labour, and whether he consume them in the shape in which he produced them, or exchange them for other things, they are still no more than the products of his labour. And this shews that labour, in certain circumstances, can produce *more* than the mere necessities of life. What superior personal qualities can accomplish for some individuals, superior arts can accomplish for whole nations, viz. enable the body of their labourers to lay by small surpluses, which, when accumulated, change their position from that of mere workmen to being more or less of employers. In civilised countries the mere workman is always more or less of an employer, inasmuch as he demands food, clothes and lodging from those who produce them. It is these superior arts which in great measure constitute civilisation, and (without abrogating the “penal ordinance of labour”) tend to mitigate the sufferings of all, and to equalise the physical and moral condition of the weak and the strong.

5. *Extract.*

“ But still the great mass must follow the original condition of our nature, and there is always a spirit of competition at work which keeps the scale of wages to a rate a little over what will produce food, clothes, and lodging.”

5. *Remarks.*

The "spirit of competition" may be always at work, but it is not always working with equal intensity, nor among the same class of persons. Its intensity is in the proportion which the quantity of the thing sought bears to the number seeking it, and it actuates employers as well as workmen. If the one seeks employment, the other seeks labour, and "the spirit of competition" will be most intense in that class whose want (whether of labour or employment) is greater. Its pressure is daily and hourly shifting from the one class to the other, throughout the various phases of society, but it is false to suppose that it is always depressing the labourer to the lowest possible condition compatible with existence. *His* wants, it may be said, are most intense, being for the necessities of life, and, therefore, *his* competition must always be the most intense also. It is true his wants are the most intense, and this is the reason why he is, and always must be, at the *bottom* of the scale, but it is no reason for his *condition there* being the worst that is compatible with existence; and in fact, though in all countries he is lowest in the scale, yet the scale (and therefore the labourer at the bottom of it) is not *equally low* in all countries. If there be other countries in which his condition is better than it is in England, why may not the English labourer be brought up to the same level? If his condition in England be better than in any other country, what proof have we that it is the best possible,—that it is capable of no further improvement? So long as he wants any necessary or comfort of life, so long will it be true, that to supply him with it will improve his condition. But why is the spirit of competition to keep the "scale of wages to a rate a *little over* what will produce food, clothes, and lodging?" We know this spirit

is sometimes so weak that it permits the labourers to get an abundance of these things, as in new and fruitful colonies, and in America; unhappily it is sometimes so strong that it permits them to get barely enough to sustain a suffering existence, as in the case of the hand-loom weavers; and still worse, that sometimes it does not permit them to get even so much; and then they perish by suffering and disease, as too often happens in Ireland and in India.

6. *Extract.*

“When therefore the prices of these necessities rise, wages must rise also; and when they fall, competition steps in to lower wages to the corresponding standard.”

6. *Remarks.*

Let us see whether “wages must rise also.”

1st. The prices of these necessities rise, because the quantity of them is less than before, the demand for them remaining the same. Now, can increasing the *money* wages of each and every labourer, enable them all to get as much as formerly, when the whole quantity to be divided among them is absolutely less than before?

2nd. Their price rises because, though their quantity be as great as before, the demand for them is greater. A greater demand means, that more of these necessities is wanted. But as the whole quantity to be divided between the demanders is not greater, how can an increase of *money* wages enable each of them to get more?

Again, let us see whether, “when they fall, competition steps in to lower wages to the corresponding standard.”

1st. Their prices fall, because their quantity is greater than before, the demand for them remaining

the same. Now, why should an abundance of necessities render competition for them more intense than it was during their scarcity?

2nd. The prices fall, because, though the quantity of necessities be the same as before, yet the demand for them is less. A lessened demand means that less of these necessities is wanted. But is it meant to be averred that the less men want these necessities, the greater will be their competition for them?

7. Extract.

"All this may seem truism and common place, and so it is; but when we see a government trying to excite and delude the people into a different doctrine, and to make them believe that *cheap bread and high wages* can exist together, we may be allowed thus shortly to state the moral, we might say the physical impossibility of any such result. It follows then, that in a healthy state of society, wages can never permanently be either much too high or too low, and that their real measure is the *means of subsistence* according to the habits of the country, and the class of workmen required."

7. Remarks.

Had all this been "truism and common-place," no objection would have been made to it on that account, because truisms must be used as stepping-stones to new truths, and what is common-place is very often forgotten when it ought most to be remembered. Believing it, however, to be neither truth nor truism, but confusion of terms and ideas, we have endeavoured to rectify this confusion; and after once more recurring to the writer's own terms to shew his conclusion is false, we may leave the reader

to decide who is guilty of "delusion," the late Government, or the writer; and whether it be either a "moral" or a "physical impossibility," for "*cheap bread* and *high wages* to exist together." He says their real *measure* is the means of subsistence. "*Cheap bread*" means, and can only mean *much bread*, and that means much subsistence; therefore, where there is *much* subsistence, and the "means of subsistence are the measure of wages," it might be expected this large measure would give large wages, but it seems this is a delusion, and that though there be much bread, there cannot be, at the same time, "high wages," even in the shape of *much bread*. It follows then, either that bread is no part of wages, or that if it be, that the greater its abundance, the less of it men can earn. Neither do the words "according to the habits of the country, and the class of workmen required," help the argument, for the habits of a country are not necessarily unchangeable, and the best way of raising them is by supplying an abundance of commodities. A cow will generally eat more hay when she gets it, but not otherwise. That the habits of different classes of workmen are different, proves that there must be relatively better and worse conditions, but does not prove that any condition need be absolutely bad.

8. *Extract.*

"What, therefore, the working-classes should be really solicitous about, is neither *high nor low wages*, but constant *work and steady prices*."

8. *Remarks.*

If it be necessary to expose further the vagueness of the terms employed, and the strange results it leads to, the words "high and low," as here used, supply an occasion, for we were before told that the "measure of wages" is "the means of subsistence,"

and these are "the rewards of labour;" yet here we are assured that the working classes ought not to be solicitous whether their "means of subsistence," the "reward of their labour" be high or low. "*Constant work and steady prices*" are very good things, when the work is not too severe for health and comfort, and the prices not too high for the workman's purse; but they may be both these at once, and then the labourer's condition will approach that of the slave, where the labour is exhausting, and the extremity of poverty precludes nearly all power of purchasing anything, however steady prices may be.

9. *Extract.*

"There is, thank God, a great and growing spirit of intelligence in our labouring classes, which cannot be long blind to this truth, and however pleasant may be the sound of '*cheap bread*,' or distasteful that of '*low wages*,' they are, we hope and believe, pretty generally convinced by experience that these terms mean nearly the same thing, and their natural good sense and knowledge of the competition with which they are surrounded, will teach them that if they buy bread at Polish prices, they must be prepared to work at Polish wages."

9. *Remarks.*

There is such a "spirit of intelligence," which cannot long be blind to *the truth*, but will hardly recognise it in the writer's doctrines, while the rude teacher experience makes them feel that little wages, and sometimes no wages, are practically compatible with scanty food, or dear bread. They know, in fact, that which the writer does not perceive, or does not explain, namely, that though *money wages* rise with the rise of prices, and fall with the fall of prices,

they ordinarily *neither rise nor fall, so fast, nor so much as prices.* Their range is within narrower limits, and the consequence is that when prices rise, though the workman sometimes, (not always,) gets more *money*, the additional sum is not enough to counterbalance the rise on the price of his food. And when prices fall, there is either no deduction made from his wages, or it is less than the fall in the price of his food.

In the first case, he gets less food, in the second more, and food being his *ultimate* object, that which he *finally* wants, he is better off when it falls in price, though his wages in money fall also.*

* The writer of this tract not having at present access to tables of the prices of food, and rates of wages, cannot establish this as fully as he desires; but the following statements taken from actual prices and rates, in two of the great agricultural counties, will elucidate the above position, and so far as they go, establish its correctness.

In the thirteen years from 1828 to 1840, both inclusive, the following were the variations of wages in money, wages in wheat, and prices of wheat.

1st. Daily wages in money, highest, 2s, lowest, 1s 6d, being a rise of 33 $\frac{1}{3}$ per cent. on the lowest rate, and a fall of 25 per cent. on the highest.

2nd. Daily wages in pints of wheat, highest 19 $\frac{1}{2}$ pints (nearly), lowest 12 $\frac{1}{2}$ pints, being a rise of 52.5, per cent. on the lowest, and a fall of above 34 per cent. on the highest.

3rd. Prices of wheat per peck, highest, 2s 2 $\frac{1}{2}$ d, lowest, 1s 2 $\frac{1}{2}$ d, being a rise of above 79 per cent. on the lowest, and a fall of above 44 per cent. on the highest price.

The greatest fluctuation therefore is in the price of wheat. The next, in wages *measured in wheat*, and the *least* is in money wages.

If money wages were always made to vary, so as to give the labourer an equal amount of subsistence, "according to the habits of the country," their rise and fall per cent, ought to be the same as the rise and fall of prices, but this statement shews, that wages in *money*, by no means keep pace with the prices of wheat.

Wages estimated in wheat, exhibit extreme variations,

The facts stated in the note, would seem to prove that "experience" ought pretty generally to convince the labouring classes, that "*cheap*

more like those of prices, but (unhappily for the argument, that *cheap* corn gives *low* wages,) the variation is in the opposite direction from prices, for when prices rise, wages in *wheat*, *fall*; and vice versa.

Thus the year 1835, was the year of lowest *prices* in wheat; and of highest *wages* in *wheat*, though the *money* wages were lowest in that year.

They were as follows:—Wheat, price 1s 2½d.

Wheat wages, 19½ pints.

Money wages, 1s 6d.

And in 1839, they were as follows:—

Wheat price, 2s 2½d.

Wheat wages, 14½ pints.

Money wages, 2s.

Similar variations, through less in degree, occur throughout the series of years, thus shewing that the variations that really occur in the price of wheat, affect the labourer's comfort much more seriously, than the variations that really occur in the rates of wages in money.

The other statement presents results of a corresponding kind, but the period extends only over seven years, from 1834, to 1840.

The average weekly wages in *money*, range from 8s to 10s 6d, or a rise on the lowest of above 31 per cent., and a fall on the highest of about 24 per cent.

The weekly wages measured in flour (i. e. the quantity of flour a labourer could buy each week with his money wages, at the price of the day), vary thus,

Weekly wages, Highest, above 4½ stones of flour.

Lowest, below 3½,

which give a rise of nearly 37 per cent., and a fall of nearly 27 per cent.

Prices of flour per stone vary from 1s 10d, to 3s 4d, giving a rise of not quite 82 per cent., and a fall of 45 per cent. And as before, the extreme years being 1835, and 1839, the prices and the *money* wages were *lowest* in 1835, and the wages in *wheat* highest. While in 1839 the prices and *money* wages were *highest*, and wages in *wheat* lowest.

bread," and "low wages" do not "mean nearly the same thing," provided it be granted to us that men earn wages with a design to eat bread. And if they do not want to eat more bread than formerly, they can spend in other necessities, what they are enabled to save in the price of "cheap bread." "If they buy bread at Polish prices, they must be prepared to work at Polish wages." This, in accordance with the general argument, must mean that the price of bread determines wages, and if true in Poland, it is true everywhere. "Their natural good sense and knowledge of the competition, with which they are surrounded," will therefore also teach them, that if they buy bread at *American prices*, they must be prepared to *work at American wages*. Bread in America is about half the English price, wages are about 80 per cent. higher than in England. Again, if they buy bread at Irish prices, they must be prepared to work at Irish wages. Bread in Ireland, is not much lower than in England, wages there, are rarely more than half what they are in England. Thus the price of bread, which is supposed to regulate wages, does so, in the following manner. In Poland, a *low price* causes *low wages*. In America, a *low price* causes *high wages*. In Ireland, a *high price* causes *low wages*, and (as English workmen are warned against the *low prices*, and *low wages* of Poland, we may fairly conclude the writer holds that) in England, *high prices* causes *high wages*. Thus, the same cause—low prices, produces opposite effects in Poland and America; and the same cause—high prices, produces opposite effects in Ireland and England.

10. *Extract.*

"We had intended to exemplify this proposition
"by a comparison with the price of bread, as com-

1. The first step in the process of the formation of the new state is the declaration of independence. This is a crucial moment in the history of a nation, as it marks the beginning of its journey towards self-determination. The declaration of independence is a formal statement by the people of a territory that they are no longer part of a foreign state and that they intend to establish a new, sovereign state.



11. *Extract.*

"In France indeed the working classes do eat wheaten bread, but of so inferior a quality to that given even to paupers in England, that it would afford no fair comparison with English food; but we can state generally on a careful examination of the rates of food, and wages, throughout Europe, that wages vary exactly in the proportion of the prices of food, and that upon the whole, food is as cheap in comparison with labour in England as in any other country."—*Quarterly Review*—Article 135 on the Budget and the Dissolution, pp. 264, 265, 266.

11. *Remarks.*

But as this inferior bread is eaten by the working class in France, a comparison between its price and the rate of wages there, would have supplied evidence of the truth of his proposition, (if true it be) that low prices cause low wages, or, in more general terms, that prices govern wages. The quality of the wheaten bread cannot affect the nature of the connection between prices and wages. The price of the black glutinous rye bread of Poland, compared with the wages of Polish labourers, and the price of the inferior French wheaten bread, compared with French wages, would both have exemplified the nature of the connexion alleged to exist between prices and wages, yet no detailed account of either is given, but instead there is a general assurance that a "careful examination of the prices of food and wages throughout Europe" establishes the writer's proposition. The real question, Poland, France, and England is, whether the working classes in each, would or would not eat bread, if it were cheaper? The quality

of the bread in no way affects that question. It may prove that in Poland and France, the habits of the people are lower than in England; but it does not prove that even in Poland and France, the workman is not better off, when he gets *more* of his inferior bread, or that he would *not* get more, if it were still cheaper, that is, more abundant than it is.

The comparison which ought to be made is that of the *ratio*, between the prices of bread in England, (Poland or France) at different periods, with the ratio between wages in the *same country* at different periods, and the periods should be taken when the prices of bread are different, for, as prices are said to govern wages, variations of the former, ought to produce corresponding variations in the latter.

When the writer alludes to the fact that there is abundance of corn in Poland, and yet that the people never eat it, and holds it up in admonition to the people of England, the implied inference is, that this would also be the condition of England if corn became abundant here, but that such is not her present condition. To express this doctrine in general terms, would be to say, that *where* there is plenty of corn, nobody eats it, and where there is scarcity everybody eats it. Our view of the matter is, that the Poles grow corn *not* for eating, but for *exportation*; for if they neither eat nor export it, then they grow it, to let it rot when grown. The English, on the other hand, *import* corn, not to export it again, or to let it rot, but to eat it. Hence in each case the abundance is an advantage to those who have it, according to the end sought. The Pole's object is large exportation, and abundance enables him to attain his object. The Englishman's object is, to have *plenty to eat*, and abundance of wheat would enable him to attain his

object, for there is eating in bread, as surely as there is "purchase in money."

The above and similar arguments (intended to prove that the rate of wages depends upon and varies as the price of food), rest upon a connexion which, in certain circumstances, really does exist between wages and food. There is a point *below* which, the *real* wages, "the reward of labour," or "the means of subsistence," cannot be depressed without destroying the race of labourers. *At that point*, the wages given, must be such as will buy enough to support the workman in health and strength. If not, if the employer avails himself of their competition to its full extent, and gives less than will support nature, the supply of labour will fall off, and those who require it, must pay a higher price for what remains; in other words, they must return to higher wages. In this particular case, the necessity of maintaining the race of labourers, becomes the over-ruling principle which determines that wages shall fall *no lower*—but there its office ends; and when the habits of a country have raised its race of labourers above this low physical condition, then the principle of competition recurs, and as it falls heavier on the one class or the other, such class is forced to yield to the other, in settling the terms of the contract by which they agree to co-operate in the work of production. But the arguments above examined, improperly extend this consideration (the necessity of maintaining the class) to all the better conditions of labourers, found in various civilized countries; as if the employer could never give the labourer less than customary in any particular country, without destroying the race of labourers; and need never give him more, however great his own means of payment, and his own want of more labour. I

that were true, the condition of labourers once fixed in any country, could never alter, so far as it depended on the employer or the labourer. "A man must have enough to live," is often said, most truly; and "the enough to live" is the measure of his *minimum* wages—they cannot be reduced. But when he gets more than "enough to live," he may be reduced back to that point, or he may be raised still higher, by the spirit of competition, according as it over-rules the class of labourers, or that of employers. Those who are familiar with, and entertain these doctrines, will make allowance for this prolix and formal exposition of what might be stated in very few words, when they see works of authority and great circulation, as well as persons of wide influence, promulgating such untenable propositions as those examined.

Some of the errors and fallacies on the Corn-laws, that are widely received as truths, owe this to the plausible or emphatic terms in which they are stated. Careless and indolent minds are better pleased to accept veri-similitude than to test it, particularly when prejudices or interest have predisposed them to expect truth from any particular quarter; while at the same time, perhaps some circumstance may be within their knowledge which, if attended to, would at once have deprived the false doctrine of all force.

It is an instance of this species of error, when it is asked, what is the use of cheap food, if a man has no money to buy it with? This, though a very common question, and generally proposed with a triumphant air, is but a foolish one, because it assumes that there is no way of buying food, but with money, while many of those who ask the question are themselves, at the same time, daily *supplying* food to their own servants, in exchange

for their attendance and other services, while not a shilling passes between them in the transaction. It would be as rational to ask, what is the use of cheap hay and oats to a horse if he has no money to buy it with? Do slaves buy their food with money? Do sailors at sea pay money for their rations? The food is bought by the services performed. In the markets of nature, labour and services are the money that purchase food and other commodities, and not man alone, but every living creature has a sum of such currency to spend on its wants. Therefore, the lower the price (or what is the same thing,) the greater the abundance of food, the more of it can be obtained for these services.

But we may propose a kindred question to our opponents, which cannot be answered in a similar manner. Of what use are high money wages to a man when there is no food for him to buy? In the former case, if the food exist, it may be obtained in many ways, though there be no money in existence; in other words, there may be many modes of barter. But in the latter case, when there is no food, neither money nor services, neither buying nor bartering can procure it. This which is obviously true, when the question refers to *food* or *no food*, is equally true when it refers to an *increase* or *no increase* of food. If an increase can be had, there will be found modes of bartering services of some kind for it; but when no increase is possible, neither money nor services can procure for a workman more than he had before. Those, who in good faith hold that wages are governed by the price of food, and calculated with reference to that price, will find it impossible to reconcile their doctrine with the true answers to the following questions.

1st. Are not the various classes of skilled workmen paid according to their skill and efficiency? And do those depend upon the price of food?

2nd. Do not certain agricultural labourers, as the ploughman, carter, &c. earn more wages than the mere field labourer? Is it not their superior skill or trust-worthiness that enable them to do so? Do not men earn more than women, and women more than children, and are not their respective gains in proportion to their strength and efficiency? Nevertheless, is not the price of food the same for them all?

3rd. Does not the increased demand for labour in the harvest-time, raise the wages of the labourer? And do not the incoming crops, if they are large, generally lower the price of food at the same time?

4th. Again: does not the influx of Irish labourers at this period check the rise of wages? And does not their additional demand * for food check the fall in its price?

Thus, greater demand for labour raises wages—greater supply of food lowers prices—a further supply of labour lowers wages, or checks their advance—and a further demand for food raises prices, or checks their fall. The rise of wages and fall of prices are here co-incident; a fall of wages and rise of prices are also co-incident. Unless these facts can be denied, they shew that prices do not govern wages, but that both are governed by the great laws of demand and supply, and that the operation of these laws may be (as in the present case) in opposite directions.

* The food of these poor people is so scanty and low, that the effect of *their* demand cannot be much, but so far as it goes, it tends to check the fall in the price of provisions.

Though all these various parties receive different rates of wages, yet the prices each must pay for food are the same, whenever they come into the market together. Instead of seeking in the price of food for the cause and measure of these various rates of wages, we at once find them in the proportion between the supply of labour and the demand for it. Thus the number of skilled labourers is less in proportion to the demand than that of common labourers—of labouring men, less in proportion to the demand, than that of women and children. At one period of the year the supply of agricultural labourers is less in proportion to the demand, than at another period. In all these cases and on all these occasions, the labourer whose services are most wanted to carry on the joint work of production with the capitalist, be he farmer, manufacturer, or merchant, will get the best wages.

The writer would feel ashamed of stating and enforcing such obvious truths, had he not found that they are continually overlooked altogether, or their value disregarded, not only by the generality of persons, but even by those whose capacity and integrity are entitled to just respect.

THE END.

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